

Message Text

UNCLASSIFIED

PAGE 01 LONDON 00811 01 OF 03 171811Z
ACTION EUR-12

INFO OCT-01 EA-09 ISO-00 EURE-00 INRE-00 SSO-00 NSCE-00
USIE-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03
NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 AID-05 EB-07
FRB-01 XMB-04 OPIC-06 CIEP-02 LAB-04 SIL-01 OMB-01
STR-04 CEA-01 AGRE-00 INT-05 FEAE-00 /104 W
-----171840Z 068821 /42

O R 171800Z JAN 77 ZFF 4
FM AMEMBASSY LONDON
TO SECSTATE WASHDC IMMEDIATE 9549
TREASURY DEPT WASHDC IMMEDIATE
INFO AMEMBASSY BONN
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TOKYO
USMISSION EC BRUSSELS
USMISSION OECD PARIS
USDOC WASHDC

UNCLAS SECTION 01 OF 03 LONDON 00811

DEPARTMENT PASS FEDERAL RESERVE BOARD

E.O. 11652: N/A
TAGS: EFIN, UK
SUBJECT: UK TRADE AND CURRENT ACCOUNT IN DECEMBER 1976

SUMMARY: THE DEPARTMENT OF TRADE AND THE CENTRAL STATIS-
TICAL OFFICE RELEASED THEIR ESTIMATES OF DECEMBER'S CUR-
RENT ACCOUNTS, SHOWING A NARROW CURRENT ACCOUNT SURPLUS
OF 21 MILLION POUNDS. ALTHOUGH ERRATIC MOVEMENTS IN THE
LARGE ITEMS OF OIL IMPORTS AND SHIP EXPORTS MAKE ANY EX-
TRAPOLATION MEANINGLESS, THE RESULTS DO SHOW GENERAL IM-
PROVEMENT IN THE U.K.'S TRADING POSITION. THE PRELIMIN-
ARY CURRENT ACCOUNT DEFICIT IS SET AT 1526 MILLION POUNDS,
A MARGINAL IMPROVEMENT ON 1975'S 1656 MILLION POUNDS.
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LONDON 00811 01 OF 03 171811Z

EXCERPTS FOLLOW.

1. CURRENT ACCOUNT FOR THE MONTH OF DECEMBER 1976. IN
DECEMBER 1976 THE CURRENT ACCOUNT IS ESTIMATED TO HAVE
BEEN IN SURPLUS BY 21 MILLION POUNDS. THE DEFICIT ON
TRADE IN GOODS WAS 179 MILLION POUNDS, SEASONALLY ADJUS-
TED, AND THE BALANCE ON SERVICES AND OTHER CURRENT TRANS-
ACTIONS IS ESTIMATED TO BE RUNNING AT A MONTHLY SURPLUS

OF ABOUT 200 MILLION POUNDS. IN THE FOURTH QUARTER OF 1976 THERE WAS A CURRENT ACCOUNT DEFICIT OF 429 MILLION POUNDS COMPARED WITH 597 MILLION POUNDS IN THE PREVIOUS QUARTER. IN 1976 AS A WHOLE THE CURRENT ACCOUNT DEFICIT IS ESTIMATED TO HAVE BEEN 1526 MILLION POUNDS COMPARED WITH 1656 MILLION POUNDS IN 1975.

POUNDS MILLIONS

SEASONALLY ADJUSTED

CURRENT VISIBLE BALANCE: INVISIBLE BALANCE:

BALANCE TRADE IN GOODS SERVICES AND

OTHER CURRENT

TRANSACTIONS

1974	- 3323	- 5220	1897
1975	- 1656	- 3204	1548
1976	- 1526	- 3611	2085

2. VISIBLE TRADE. IN DECEMBER THERE WAS A VISIBLE TRADE DEFICIT OF 179 MILLION POUNDS, SEASONALLY ADJUSTED; THE VALUE OF EXPORTS WAS 2362 MILLION POUNDS AND THE VALUE OF IMPORTS 2541 MILLION. THE DEFICIT WAS 330 MILLION POUND LOWER THAN THE HIGH FIGURE FOR NOVEMBER, THE RESULT OF A RISE OF 137 MILLION POUNDS IN THE VALUE OF EXPORTS AND A FALL OF 193 MILLION POUNDS IN THE VALUE OF IMPORTS. ABOUT ONE-HALF OF THE REDUCTION IN THE DEFICIT BETWEEN THE TWO MONTHS WAS THE RESULT OF ERRATIC MOVEMENTS IN IMPORTS OF OIL (WHICH WERE EXCEPTIONALLY HIGH IN NOVEMBER) AND IN EXPORTS OF SHIPS.

IN TERMS OF VOLUME, EXPORTS ROSE BY 4-1/2 PERCENT IN DECEMBER AND IMPORTS FELL BY 7-1/2 PERCENT. THE TERMS UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LONDON 00811 01 OF 03 171811Z

OF TRADE INDEX ROSE BY L PERCENT, REVERTING BACK TO THE OCTOBER LEVEL, THE RESULT OF A 2 PERCENT INCREASE IN THE EXPORT UNIT VALUE INDEX AND A 1 PERCENT RISE IN THE IMPORT UNIT VALUE INDEX.

3. INVISIBLE TRADE. THE LATEST ESTIMATE INVISIBLES RELATES TO THE THIRD QUARTER OF 1976 WHEN CREDITS ON

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 LONDON 00811 02 OF 03 171815Z

ACTION EUR-12

INFO OCT-01 EA-09 ISO-00 EURE-00 INRE-00 SSO-00 NSCE-00

USIE-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03

NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 AID-05 EB-07

FRB-01 XMB-04 OPIC-06 CIEP-02 LAB-04 SIL-01 OMB-01

STR-04 CEA-01 AGRE-00 INT-05 FEAE-00 /104 W

-----171839Z 068870 /42

O R 171800Z JAN 77 ZFF 4

FM AMEMBASSY LONDON

TO SECSTATE WASHDC IMMEDIATE 9550

TREASURY DEPT WASHDC IMMEDIATE

INFO AMEMBASSY BONN

AMEMBASSY PARIS

AMEMBASSY ROME

AMEMBASSY TOKYO

USMISSION EC BRUSSELS

USMISSION OECD PARIS

USDOC WASHDC

UNCLAS SECTION 02 OF 03 LONDON 00811

SERVICES AND OTHER CURRENT TRANSACTIONS WERE 3477 MIL-
LION POUNDS AND DEBITS 2908 MILLION. GIVING A SURPLUS OF
569 MILLION POUNDS FOR THE QUARTER. THE SURPLUS IS PRO-
JECTED TO BE RUNNING CURRENTLY AT THE RATE OF 200 MILLION
POUNDS A MONTH.

4. VISIBLE TRADE ON BALANCE OF PAYMENTS BASIS

	SEASONALLY ADJUSTED VALUES	POUNDS MILLIONS	
	EXPORTS(FOB)	IMPORTS (FOB)	VISIBLE
	BALANCE		
1974	15899	21119	- 5220
1975	18768	21972	- 3204
1976 P	24433	28044	- 3611

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LONDON 00811 02 OF 03 171815Z

1976 LST QU. R	5445	5893	- 448
2ND QU. R	6020	6988	- 968
3RD QU. R	6150	7316	- 1166
4TH QU. P	6818	7847	- 1029
1976 JULY R	1959	2474	- 515
AUGUST R	2049	2333	- 284
SEPT. R	2142	2509	- 367
OCT. R	2231	2572	- 341
NOV. R	2225	2734	- 509

DEC. P 2362 2541 - 179

P - PROVISIONAL ESTIMATES

R - REVISED ESTIMATES

5. INVISIBLE TRADE

	SEASONALLY ADJUSTED VALUES		POUNDS MILLIONS
	CREDITS	DEBITS	INVISIBLE BAL.
1974	10169	8272	1897
1975	11047	9499	1548
1976 1ST QU.	3057	2612	445
2ND QU.	3254	2783	471
3RD QU.	3477	2908	569
OCT.		200 (1)	
NOV.		200 (1)	
DEC.		200 (1)	

(1) - THESE FIGURES ARE PROJECTIONS AND ARE SUBJECT
TO REVISION AS INFORMATION BECOMES AVAILABLE.

6. EXPORT AND IMPORT UNIT VALUE AND VOLUME INDEX NUMBERS
ON A BALANCE OF PAYMENTS BASIS (1970 EQUALS 100)

	UNIT VALUES (NOT SEASONALLY ADJUSTED)		VOLUME (SEASONALLY ADJUSTED)	
	EXPORTS	IMPORTS	EXPORTS	IMPORTS
1974	162.7	218.0	130.1	135.2
1975	198.5	245.7	124.9	125.6

UNCLASSIFIED

UNCLASSIFIED

PAGE 03 LONDON 00811 02 OF 03 171815Z

1976	240.6	301.3	135.4	134.2
1976 1ST QTR	219.0	270.0	131.6	124.1
2ND QTR	234.2	293.6	137.1	136.7
3RD QTR	247.4	309.3	133.1	137.2
4TH QTR P	261.7	332.1	139.8	138.7
JULY	242.6	306.1	129.9	140.3
AUGUST	247.9	308.0	132.6	131.2
SEPTEMBER	251.7	313.8	136.7	140.1
OCTOBER	256.4	324.0	140.1	142.6
NOVEMBER R	261.8	334.8	136.6	142.2
DECEMBER P	266.9	337.4	142.6	131.4

UNCLASSIFIED

NNN

UNCLASSIFIED

PAGE 01 LONDON 00811 03 OF 03 171816Z
ACTION EUR-12

INFO OCT-01 EA-09 ISO-00 EURE-00 INRE-00 SSO-00 NSCE-00
USIE-00 CIAE-00 DODE-00 PM-04 H-02 INR-07 L-03
NSAE-00 NSC-05 PA-02 PRS-01 SP-02 SS-15 AID-05 EB-07
FRB-01 XMB-04 OPIC-06 CIEP-02 LAB-04 SIL-01 OMB-01
STR-04 CEA-01 AGRE-00 INT-05 FEAE-00 /104 W
-----171840Z 068898 /42

O R 171800Z JAN 77 ZFF 4
FM AMEMBASSY LONDON
TO SECSTATE WASHDC IMMEDIATE 9551
TREASURY DEPT WASHDC IMMEDIATE
INFO AMEMBASSY BONN
AMEMBASSY PARIS
AMEMBASSY ROME
AMEMBASSY TOKYO
USMISSION EC BRUSSELS
USMISSION OECD PARIS
USDOC WASHDC

UNCLAS SECTION 03 OF 03 LONDON 00811

PERCENTAGE
CHANGE 4TH QTR
ON PREVIOUS QTR PLUS 6 PLUS 7-1/2 PLUS 5 PLUS 1
P EQUALS PROVISIONAL ESTIMATES R EQUALS REVISED EST.

7. TRADE IN PETROLEUM AND PETROLEUM PRODUCTS ON A BAL-
ANCE OF PAYMENTS BASIS (SEASONALLY ADJUSTED)

BALANCE OF

TRADE IMPORTS EXPORTS
(IN MILLIONS OF POUNDS F.O.B.)

1974	-3422	4118	696
------	-------	------	-----

UNCLASSIFIED

UNCLASSIFIED

PAGE 02 LONDON 00811 03 OF 03 171816Z

1975	-3114	3835	721
1976	-3965	5129	1164
1976 1ST QTR R - 952	1174	222	
2ND QTR R -960	1218	258	
3RD QTR R -1056	1367	311	
4TH QTR P - 998	1371	373	
OCTOBER R - 259	379	120	

NOVEMBER R - 407 542 135

DECEMBER P - 332 449 117

PERCENTAGE CHANGE

4TH QUARTER ON

PREVIOUS QUARTER PLUS 1/2 PLUS 20

R EQUALS REVISED EST. P EQUALS PROVISIONAL EST.

ARMSTRONG

UNCLASSIFIED

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: REPORTS, ECONOMIC CONDITIONS, TRADE DATA, FINANCIAL TRENDS
Control Number: n/a
Copy: SINGLE
Sent Date: 17-Jan-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: n/a
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment:
Disposition Date: 01-Jan-1960 12:00:00 am
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977LONDON00811
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770017-0174
Format: TEL
From: LONDON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770146/aaaabobn.tel
Line Count: 286
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: e0d1f2d8-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: UNCLASSIFIED
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 6
Previous Channel Indicators: n/a
Previous Classification: n/a
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 23-Sep-2004 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3582769
Secure: OPEN
Status: NATIVE
Subject: UK TRADE AND CURRENT ACCOUNT IN DECEMBER 1976 SUMMARY: THE DEPARTMENT OF TRADE AND THE CENTRAL STATISTICAL OFFICE RELEASED THEIR ESTIMATES OF DECEMBER'
TAGS: EFIN, ETRD, UK
To: STATE TRSY
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/e0d1f2d8-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009